



# Department of Justice

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## **NINETEENTH DEFENDANT IN CHICAGO GENERAL SERVICES ADMINISTRATION CORRUPTION PROBE PLEADS GUILTY**

WASHINGTON, D.C. - General Services Administration (GSA) planner-estimator Donald Marzullo pleaded guilty to bribery in connection with the awarding of GSA contracts at the Dirksen Federal Courthouse in Chicago, Illinois, Acting Assistant Attorney General John C. Richter of the Criminal Division; Robert D. Grant, Special Agent in Charge of the Chicago office of the FBI; and Harvey G. Florian, GSA Regional Inspector General, announced today.

Marzullo, who had been employed by GSA for 14 years, pleaded guilty today to a criminal information charging him with bribery. At a hearing before the Honorable James B. Zagel, Marzullo admitted that on four separate occasions in late 2001 and early 2002 he created bogus bid documents from fictitious businesses in order to illegally assist a GSA contractor obtain GSA contracts. On a fifth occasion during this same time frame, Marzullo submitted fraudulent paperwork which purported to show than an otherwise legitimate business had bid on a contract, when in actuality it had not submitted a bid. On each of these five occasions, Marzullo submitted the fraudulent bids so that the contractor in question would appear to be the low bidder. As a result of Marzullo's actions, the contractor was awarded the contracts at issue. The total value of these five contracts was in excess of \$100,000. Marzullo agreed to assist the contractor in this fashion because the contractor had stated that he would reward Marzullo financially for his assistance.

During the summer of 2002, this contractor had a storage shed built at Marzullo's private residence. The shed, worth approximately \$2,200, was provided to Marzullo free of charge. In order to make it appear that Marzullo had paid for the shed, the contractor gave Marzullo \$1,400 in cash, and then had Marzullo write him a check for the same amount of money. Marzullo and the contractor agreed that if any questions were asked about the shed, they would both falsely claim that Marzullo had written a check to pay for the shed.

Marzullo is scheduled to be sentenced on October 19, 2005. The defendant faces a maximum sentence of 15 years in prison and \$250,000 in fines.

Val Jeffries was also sentenced today for her part in this scheme. Jeffries, who had previously pleaded guilty to one count of misdemeanor theft of government property, was sentenced by Magistrate Judge Sidney C. Schenkier to one year of probation. At the time of her plea, Jeffries, a GSA employee, admitted that she unlawfully took possession of a snowblower that she knew rightfully belonged to the GSA.

The GSA contracts case resulted from a five-year undercover investigation in which numerous consensual recordings were made of GSA officials and contractors by cooperating GSA employees.

Marzullo is the 19th defendant to have been charged and to have pleaded guilty in the investigation. The other guilty pleas to date include:

Terrence Kulick, a GSA contractor;

Scott Arias, a GSA contractor;

Charles Funke, a GSA contractor;

Merritt Pulkrabek, a former court security officer who worked at the Dirksen Federal Courthouse;

Arthur Orr, a former GSA pipefitter;

Jerry Taylor, a former GSA supervisor;

Barry Lewinson, a GSA contractor;

Theresa Pitt, a former FBI typist;

Carolyn Pease, a GSA contractor;

James Kramer, a former GSA supervisor;

Scott Bravos, a GSA contractor;

John Gibson, a GSA contractor;

James Barratt, a GSA contractor;

Raletta Ingram, a former GSA supervisor;

Glenn Hardy, a former GSA supervisor;

Gerasimos Valsamis, a GSA contractor;

Val Jeffries, a former GSA building manager specialist; and

Michael Cahill, a GSA contractor.

This prosecution is being handled by Trial Attorney Peter Zeidenberg of the Public Integrity Section of the Department of Justice, Washington, D.C., headed by Noel L. Hillman, Chief, with the assistance of Assistant United States Attorney Brandon Fox of the U.S. Attorney's Office for the Northern District of Illinois. The investigation is being conducted jointly by the Chicago Field Division of the Federal Bureau of Investigation and the Chicago Zone Investigations Office of the General Services Administration Office of the Inspector General. U.S. Marshal Kim R. Widup and the Marshal's Service in Chicago also cooperated in the investigation.

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